



# Producer News

July - September 2005



**Brian Wolford**  
State Executive Director

### **SED Comments**

U.S. Secretary of Agriculture Mike Johanns, will be holding farm bill listening sessions around the country to gain input for upcoming farm bill discussions.

Although a Nebraska location has not been announced yet, watch for information on how to participate in upcoming listening sessions between now and harvest time.

In talking with producers and others involved with agriculture, there is a heightened sense of interest and anticipation toward new farm bill discussions. Some believe the new farm bill could take on a much different focus than prior bills.

You have heard the comment made that the “world is run by the people that show up!” Farm organizations, community organizations, even kids’ ball teams, can’t operate without people who volunteer and provide ideas, direction and support for the group.

I have heard from producers who have great ideas about how the farm bill could be improved. Take a minute to consider what changes you would like to see in a new farm bill and make it a point to get involved and help shape the future of agriculture and our new farm bill.

### **Nominations Accepted for County Committee**

It’s county committee election time, and your local Farm Service Agency county office is accepting nominations for candidates. County committees have three to five members, each representing one of county’s local administrative areas (LAA), and each serving a three-year term.

Every year one-third of the seats on the county committee are up for election. Most counties are divided into three LAAs, and that means one seat will be filled this election. Combined

counties have as many as five LAAs. Some of these counties may be filling two seats this year.

From June 15 through Aug. 1, county offices will be accepting nominations for candidates to run for a seat on the committee. To be a candidate, the nominee must be eligible to vote in the election and must reside in the LAA holding the election.

**Who Can Vote.** If you are of legal voting age and have an interest in a farm or ranch and you are eligible to participate in any FSA program that is provided for by law, you are an eligible voter. If you are not of legal voting age but supervise and conduct the farming operations on an entire farm, and you are eligible to participate in any FSA program that is provided for by law, you are also an eligible voter. If you have a question about your eligibility, contact your county office staff.

**Nominate or be Nominated.** Eligible voters can nominate one or more candidates to run for office. If you are an eligible voter and reside in the local administrative area that is holding this year’s election, you can be nominated by another voter or *you can nominate yourself* as a candidate.

County committees are important to the operation of FSA. They help deliver farm programs at the local level. Producers who serve on committees help with the decisions necessary to administer the programs their counties offer. They work to serve the needs of local producers.

Stop by your local FSA county office to pick up nomination forms (FSA-669A) or download them from the FSA Web site. Go to <http://www.fsa.usda.gov> and click on the Vote icon.

Remember, you can nominate as many candidates as you like, but you must use a separate form for each candidate. Also, nominees must sign the form, indicating their willingness to serve if elected.

### **Election Timeline**

June 15	Nomination period begins
Aug. 1	Deadline to submit nomination forms
Nov. 4	Ballots mailed to eligible voters
Dec. 5	Deadline to submit completed ballots
Jan. 1, 2006	New committee members and alternates take office.

## New Election Guidelines

New guidelines are in effect for this year's county committee elections. The new guidelines will help ensure that



Farm Service Agency county committees fairly represent all agricultural producers in a county, including farmers and ranchers who are members of a socially disadvantaged group.

Socially disadvantaged farmers and ranchers include African Americans, American Indians, Alaskan Natives, Hispanics, Asians, Pacific Islanders and women.

The new guidelines were authorized by the 2002 Farm Bill and are designed to increase participation on county committees by minorities and women.

Under the new guidelines:

- if no valid nominations are filed, the Secretary of Agriculture may nominate up to two individuals to be placed on the ballot;
- county committees must review the local administrative area boundaries annually to ensure the fair representation of socially disadvantaged producers in the county or multi-county area;
- FSA county office staff will actively locate and recruit eligible candidates identified as socially

disadvantaged farmers or ranchers as potential nominees.

In addition to elected members, county committees may also include advisors appointed by the state committee.

Advisors are appointed to committees in counties or multi-county areas with large numbers of socially disadvantaged producers or that do not have minority or female elected members on the committee.

More information on the elections, including nomination forms, is available at the county office or online at: <http://www.fsa.usda.gov>.

## Farm Reconstitutions

In Farm Service Agency vernacular, farms are *constituted* to group all tracts having the same owner and the same operator under one farm serial number. When changes in ownership or operation take place, a farm *reconstitution* is called for. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

The following are the different methods used when doing a farm recon. Remember, to be effective for the current year, recons must be requested by Aug. 1 for farms enrolled in the Direct and Counter-cyclical Program.

- Estate Method — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;
- Designation of Landowner Method — may be used when (1) part of a farm is sold or ownership is

transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more person. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

- DCP Cropland Method — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;
- Default Method — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

The final date to request a 2005 reconstitution is Aug. 1, 2005. If 2005 DCP direct payments have already been issued on the farm, the reconstitution will be effective for 2006, unless the payments are refunded.

## Crop Disaster Assistance

Sign-up is underway for the 2003-2004 Crop Disaster Program. CDP authorizes crop loss assistance for producers who suffered 2003 or 2004 crop losses stemming from damaging weather.

Eligibility for the current program is similar to that of the 2001-2002 Crop Disaster Program. To be eligible, you must have suffered a greater than 35-percent production loss or more than a 20-percent quality loss.

The payment rate has been increased to 65 percent of the established commodity price for insured crops and noninsured crops, and 60 percent of the price for uninsured commodities.

Previous disaster assistance provided payments of 50 percent of the established commodity price for insured and non-insurable crops and 45 percent for uninsured crops.

### Nebraska Farm Service Agency

State Committee

Milton Rogers, Chairman

Rob Anderson  
Ronald Ochsner

Mary Gerdes  
Dennis Richters

Brian Wolford, State Executive Director

Mike Sander, Administrative Officer

Bob Jedlicka, Farm Loan Chief

Greg Reisdorff, Conservation & Environmental Programs

Dan Steinkruger, Production & Compliance Programs

Doy Unzicker, Price Support Programs



Producers may apply for assistance for any crops that are eligible for coverage under the Federal Crop Insurance or the Noninsured Crop Disaster Assistance Program, also known as NAP.

The payment limitation is \$80,000 per producer. Producers with adjusted gross incomes of greater than \$2.5 million are ineligible if less than 75 percent of their adjusted gross income came from farming or ranching operations.

Any producer who did not purchase federal crop insurance or NAP coverage for the year disaster program payments will be issued must do so for 2006 crops as a requirement of receiving program benefits.

No closing date for this sign-up has been announced, but why wait? Contact the staff at your local Farm Service Agency county office right away.

## **Sodbuster**

The term "sodbuster," meaning "a farmer," has been around for the better part of a hundred years. Since 1985, however, the term has come to have a second, less friendly meaning: plowing up erosion-prone grasslands for use as cropland.

Sodbuster violations are highly erodible land conservation violations on land that was converted from native vegetation, such as rangeland or woodland, to crop production after Dec. 23, 1985.

Farmers and ranchers should be aware that if they use highly erodible land for crop production without proper conservation measures, they risk losing eligibility to participate in Farm Service Agency programs.

Before producers clear, plow or otherwise prepare areas not presently under

crop production for planting, they are required to file an AD-1026, Highly Erodible Land Conservation (HELIC) and Wetland Conservation (WC) Certification, indicating the area to be brought into production.

If Natural Resources Conservation Service indicates on a CPA-026 that the area will be highly erodible land, the producer will be required to develop and implement a conservation plan on the affected acreage, before bringing land into production.

In addition, producers and the producer's affiliates have to file an AD-1026 with the staff in the administrative or control county office before any farm program payments can be made.

The AD-1026 is the producer's signed certification that HELIC, as well as wetland conservation, provisions will not be violated.

## **It's Not Too Late...**

...to sign-up for the 2005 Direct and Counter-cyclical Program, but having missed the June 1 deadline will cost late-filing producers \$100 per farm.



Producers have until Sept. 30, 2005, to

sign-up for the 2005 DCP.

When signing the 2005 contract, remember that contract shares should correspond with (a) the shares and risk and (b) control of base acreage reported on acreage reports.

Succession to contract shares for 2005 must be reported and new contracts signed no later than Sept. 30, 2005.

Contact the staff of your local county Farm Service Agency office for details.

## **Refund of 2004 Counter-cyclical Payments**

If you participate in the Direct and Counter-cyclical Program, take note. There is possibility that under current market conditions producers who re-

ceived 2004 advance counter-cyclical payments may be required to repay all or a portion of these payments.

Producers will have two options to refund unearned advances:

**Refund Option 1:** The Commodity Credit Corporation will automatically reduce any DCP payments you receive between Oct. 1, 2005, and Oct. 31, 2006, to satisfy your obligation to repay the unearned 2004-crop advance counter-cyclical payments.

Scheduled payments you may receive during this period include 2005-crop final direct payments, 2005-crop advance counter-cyclical payments and 2006-crop advance direct payments. For this method, you need not take any action — the Farm Service Agency county office staff will automatically take deductions from future DCP payments.

**Refund Option 2:** This method follows procedures under the Debt Collection Improvement Act of 1996. Under this option you will be sent an initial notification letter following the end of each crop's marketing year that will inform you of the specific amount of the debt, followed by a first demand letter. At that time you may settle the debt by writing a check to CCC. Please let the staff at local FSA county office, if you decide to use Refund Option 2.

## **Crop Acreage Reports**

Producers applying for marketing assistance loans and loan deficiency payments or participating in the Direct and Counter-cyclical, Conservation Reserve and Noninsured Crop Disaster Assistance programs are required to file a crop acreage report each year. The final date to file a report for 2005 is June 30 for small grains and July 15 for all other crops.

## **Farm Record Changes**

If you have bought, sold or are renting different land, make sure you report the changes to the staff at your local Farm Service Agency county office as soon as possible so farm records can be updated.



For farm ownership changes you will need to provide a recorded deed or recorded land contract. All landowners must furnish their tax ID numbers. Remember, failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and fines if you are participating in farm programs.



## Managed Haying and Grazing

The 2002 Farm Bill allows managed haying and grazing — under certain conditions — on land enrolled in the Conservation Reserve Program. Here are a few of the conditions producers should keep in mind.

To begin with, there must be an approved haying and grazing plan.

Managed haying or grazing is limited to no more than one out of every three years after the cover is fully established. So, acreage hayed or grazed under managed *or* emergency provisions in 2003 or 2004 cannot be hayed or grazed this year.

Managed haying and grazing may be available less frequently in a particular area depending upon local conditions, resource capacity, and the conservation goals of the program.

Managed haying or grazing is not allowed during the primary nesting and broodrearing season, which May 1 through July 15 in Nebraska.

In Nebraska, managed haying is allowed from July 16 through Aug. 31. Managed grazing is allowed from July 16 through Sept. 30. Bales must be removed from CRP by Oct. 15.

CRP participants requesting managed haying and grazing must file a request with the staff of their local Farm Service

## Dates to Remember

June 1, 2005	Final date to sign 2005 Direct and Counter-cyclical Program contract.
June 30, 2005	Final certification date for small grains.
July 4, 2005	Independence Day Holiday. FSA Offices closed.
July 15, 2005	Final certification date for spring planted crops, other than small grains.
Aug. 1, 2005	Final date to sign up for 2005 Hard White Wheat Certified Seed Incentive.
Aug. 1, 2005	Final date to request reconstitution.
Sept. 30, 2005	NAP application closing date for crop year 2006 alfalfa, grasses, mixed forage and fall-seeded annual crops.

Agency county office indicating the acreage to be hayed or grazed before the activity begins.

CRP participants requesting managed haying and grazing are assessed a 25 percent payment reduction except when managed haying and grazing is conducted in an “emergency” area.

## Reporting Noninsured Crop Losses

If you’ve purchased Noninsured Crop Disaster Assistance Program (NAP) coverage, don’t forget to file a timely notice of loss if you have one.

To be eligible for NAP assistance, you must notify the staff of your local Farm Service Agency county office of any crop loss or damage within 15 days of the:

- natural disaster occurrence;
- date damage to the crop or loss of production becomes apparent to the farmer;
- normal harvest date, as established by FSA; or
- final planting date, if the planting was prevented by a natural disaster.

Field visits may be required for a timely filed notice of loss. Field visits will be scheduled, to the extent practicable, within 5 calendar days of the date the notice of loss, Form CCC-576, is filed.

If the producer is planning to destroy the crop prior to harvest, an inspection of

the **entire acreage** must be completed before destruction of any of the acreage.

Acreage destroyed without inspection and consent will not be eligible for NAP assistance.

If notice of loss is not filed timely, the producer may be determined ineligible for NAP payments for that specific crop loss.

Late-filed notice of loss can only be approved if the cause of loss and extent of crop damage can be accurately assessed by FSA through a field visit.

The form CCC-576, Notice of Loss and Application for Payment, is used to document losses for NAP crops. The CCC-576 documents:

- a producer’s notice of loss or damage to a NAP crop or commodity;
- the producer’s explanation of what has been done with the crop acreage or commodity;
- a record of production; and an application for NAP payment.

A separate CCC-576 must be filed for each crop and type, or variety of the crop, affected by a weather-related event or adverse natural disaster occurrence. Subsequent weather events affecting the same crop must also be reported, but will be documented on the previously filed CCC-576. “Part B” of the CCC-576 is completed by the producer.

An application for payment is not considered filed until all production information has been submitted, including appraisal data and production evidence, and agreed to by the producer in "Part E" of the CCC-576.

Any producer having an interest in the crop of commodity may file a CCC-576, Notice of Loss. However, all producers on a unit are bound by the operator's filing or failure to file, unless the individual producers elect to timely file notice.

The NAP Application for Coverage, Form CCC-471, must be filed by the applicable application closing date for the crop, with the appropriate fees paid, in order for the Form CCC-576, Notice of Loss, to be approved by FSA.

## **FSA Farm Loans Available**

Any farmer or rancher who may need a Farm Service Agency guaranteed loan or a direct loan must apply as early as possible because some FSA loan programs may not have adequate funds for the entire year. To inquire for a loan, you should contact the local county FSA office staff where you plan to farm or ranch.

Nebraska lenders can submit guaranteed loan requests to help existing or beginning farmer or rancher customers. The FSA guaranteed loan program allows lenders to extend terms longer than normal, which may allow for a positive cash flow.

Guaranteed farm ownership loans are available to purchase or refinance debts for terms of 20 to 40 years, and operating loans are available to purchase or refinance chattels for terms up to seven years.

Five-year line-of-credit guaranteed loans are available for annual operating expenses.

On term operating loans and line-of-credit loans, interest assistance is available to reduce the interest by 4 percent for customers who are unable to repay at the regular interest rate.

Also, balloon payments can be scheduled on operating loans if a longer

amortization is needed and there is real security or stock cows available for security.

Nebraska FSA encourages the lenders, farmers and ranchers to analyze their income and expenses for the past year and review their cash flows to determine their needs for the 2005 operating year.



## **Existing FSA Borrower**

It appears FSA may run short of loan funds again this year. Therefore, we encourage each of you to complete your 2004 farm records along with your 2005 farm plans and make an appointment with your local officer as soon as possible. If you think you may have trouble making payments, there may be programs to assist in rescheduling or reamortizing your payment schedules.

## **Beginning Farmer, Rancher Loans**

Beginning farmers or ranchers can get a "regular" farm ownership loan by using funds set aside especially for them by the Farm Service Agency. These loans finance up to 100 percent of the land's purchase price (up to the \$200,000 loan limit), and the term of the loan can be up to 40 years.

The interest rate can be either the "regular" rate of 5.25 percent (as of May 1,

2005) or the "limited resource" rate of 5.00 percent (as of May 1, 2005).

The regular farm ownership loan funds may also be used in joint financing where FSA lends up to 50 percent of the amount financed and another lender provides the remainder. FSA may charge an interest rate of not less than 4 percent with terms up to 40 years.

**Qualification:** Beginning farmer applicants must have been farming for at least three years and not more than 10 years. Applicants cannot own real estate that exceeds 30 percent of the average farm size for the county.

To apply for a loan, you should contact the local county FSA office staff where you plan to farm or ranch.

## **Beginning Farmer Down Payment Ownership Program (10-40-50)**

**Purpose:** Obtain help financing the purchase of a farm up to \$250,000 of the purchase price or the appraised value whichever is less.

The applicant must put down 10 percent. FSA finances up to 40 percent of the purchase price. The remaining 50 percent of the purchase price can be financed on contract with the seller or through a conventional lender.

The lender can obtain a guarantee from FSA if the customer is eligible.

**Rates:** The FSA loan for 40 percent will be locked in for the full 15 years. Currently the rate is 4 percent. The loan for the balance of 50 percent should be the rate the contract holder or lender would charge an average customer.

**Qualification:** Beginning farmer applicants must have been farming for at least three years and not more than 10. Applicants cannot own real estate that exceeds 30 percent of the average farm size for the county.

## **Direct Operating Loans**

**Purpose:** Obtain up to \$200,000 to finance your farm business. This includes

annual operating and family living expenses, machinery or breeding livestock purchases, refinance debts other than FSA (incurred for authorized operating purposes) and real estate improvements or repairs (limited to \$15,000 per year).

**Rates:** The interest rate is the rate in effect at the time of loan approval or loan closing whichever is lower. Rates are posted on a monthly basis.

The current interest rate (May 1, 2005) is 4.5 percent. Refer to FSA staff for information.

**Terms:** The term of the loan can not exceed seven years from the date the loan is closed.

## ***Guaranteed Loans***

**Purpose:** Obtain up to \$813,000 in Guaranteed Farm Ownership and/or Farm Operating loans. Funds can be used to purchase or enlarge a farm, refinance debt or for most operating uses.

Under this program your local lender makes the loan and FSA provides a guarantee of up to 95 percent (depends on the circumstances) on the loan. This allows your local lender to continue to help you even if you are experiencing a decline in your financial condition.

**Rates:** The interest rate is negotiated with the lender but should not exceed the rate charged to their average customers.

You could qualify for Interest Assistance (4 percent rate reduction) if your cash flow shows the need. If you qualify for the 4 percent reduction, it will be reviewed yearly until your cash flow shows sufficient improvement to pay the full rate.

**Terms:** Loans for real estate can be amortized for up to 40 years and for chattel up to seven years.

## ***Attention Socially Disadvantaged Farmers***

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production.

Loans are available for operating type loans and/or purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, FSA has provided priority funding for socially disadvantaged applicants.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as a member of the group without regard to his or her individual qualities.

For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

If producers or their spouses believe they would qualify as socially disadvantaged, they should contact their local FSA office staff for details.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

## ***Emergency Loans***

**Purpose:** The FSA may make Emergency Loans to eligible family farmers which will enable them to return to their normal operations if they sustained qualifying losses resulting from natural disasters.

To be eligible for these loans, you have to have farmed in a county designated as a disaster.

**Rates:** The interest rate for the emergency loan is 3.75 percent.

**Terms:** Most emergency loans may be for up to seven years; however, if the loan is secured only on crops, it must be repaid when the next crop year's income is received. Loans to replace fixtures to the real estate may be scheduled for repayment up to 40 years.

**Deadline:** The final date for making an application for a emergency loan is eight months after the disaster is declared.

## ***Graze Out for Small Grains***

The Graze Out program is for eligible producers who elect to use their wheat, barley, oats or triticale acreage for grazing by livestock and agree to forgo any other harvesting of the commodity on such acreage during the applicable crop year.

The application period for Graze Out begins on the first day the crop is normally mechanically harvested as determined by the county committee, and ends on March 31 of the calendar year following the year the crop is normally harvested.

Producers can file an application for Graze Out anytime during the application period, and applications may not be cancelled or withdrawn once submitted.

An eligible producer for Graze Out is any producer who is eligible for a marketing assistance loan and who meets all of the following requirements: requests Graze Out payments on loan deficiency payment certification and application (Form CCC-633 Grazing) before March 31 of the calendar year following the year the crop is normally harvested; agrees to forgo any other harvesting of the commodity on the acreage planted for grazing by livestock; and retains beneficial interest through the date the crop is grazed out.

Eligible acreage for Graze Out is any acreage of wheat, barley, oats or triticale that is certified with intended use as grazing. The crop must be entirely grazed out and not mechanically harvested. Crop acreage requested for Graze Out is not eligible for any other marketing assistance loan or LDP, a crop insurance indemnity or Noninsured Crop Disaster Assistance Program or Crop Disaster Program.

## ***CCC-709 Signed Before Harvest***

Many producers should be interested in applying for field direct LDP (CCC-709) before harvest as added protection against the loss of beneficial interest. The CCC-709s may be completed when you are in the office certifying the crop.

The field direct LDP may be executed to cover contracted bushels, a specific quantity, all grain delivered or all quantities for immediate sale. If there is a chance you will lose beneficial interest when the commodity is delivered directly from the field to the processor, buyer, warehouse or cooperative; and you want to assure that you receive an LDP based on the date delivered directly from the field, assure that this is done prior to harvest. Any CCC-709s completed after harvest begins will be applicable only to un-harvested quantities.

You do not have to participate in the Direct and Counter-cyclical Program to be eligible for LDPs. However, you must comply with various program requirements, such as acreage reporting for all crops (CCC-578), certifying compliance with Highly Erodible Land and Wetland Conservation requirements (AD-1026), and filing a Farm Operating Plan for Payment Eligibility Review (CCC-502).

For more information, stop by or call the office staff before harvest begins.

## **LDP Reminder**

With commodity prices close to or below posted county prices, interest in loan deficiency payments has picked up, and it's time for mini-refresher on LDP options.

**Storing commodities on the farm** — once the commodity is harvested and placed in farm storage, you can request a farm-stored LDP until the commodity leaves your farm or is fed. The payment rate is based on the date you apply. You must apply for a farm-stored LDP using a CCC-633 before you sell or feed the crop and as long as there is an LDP rate in effect.

The LDP quantity can be measured by the county office staff or certified by you. A measurement service cost for a bin is approximately \$20.00. If you are certifying the bushels, be prepared to provide the bin dimensions and the height of grain. Certified quantities are subject to spot-check.

**Grain delivered directly from the field to a buyer, processor, ethanol**

**plant, unlicensed facility or feedlot** — You must sign a CCC-709 prior to crop harvest since you will lose beneficial interest. The LDP rate is based upon the date the grain is delivered. Your sales receipt or summary sheets are your documentation. Receipts should include your name and address, the buyer's name, address and phone number, quantity delivered, the date of delivery, the grade, test weight and moisture content.

The field-direct option is available to producers who briefly dry the grain on the farm and then immediately deliver it to a buyer. Visit with the county office staff to assure you are in compliance with any localized county committee policy.

**Grain being fed during harvest** — *Chopped corn*, for instance, fed out during harvest is still eligible for an LDP. Keep track of the harvest dates and the tonnage chopped. You need to sign a CCC-709 (just like for field direct LDPs) prior to harvest. The LDP rate is based on the dates of harvest.

The county committee determines your yield using the whole grain quantity harvested on your farm, or three similar farms.

You have 60 calendar days after the date of harvest to provide this documentation to the office. Grazing is not considered harvested.

**Grain delivered to a licensed warehouse** — For quantities delivered to an approved warehouse and beneficial interest is maintained, the producer may complete a CCC-633 LDP request, before beneficial interest is lost. Acceptable production evidence in the form of summary sheets, scale tickets, etc., must be provided at the time of LDP request.

## **Hard White Wheat Incentive**

It looks like payment requests for the 2005 Hard White Wheat Incentive Program may exceed available funds. To keep from spending more than the \$20 million provided by law, the Farm Service Agency made changes to the current procedure.

Effective immediately, no payments for 2005 will be made until further notice. In addition, the sign-up deadline for the 2005 certified seed incentive has been moved up to Aug. 1, 2005. The deadline for the production incentive remains May 31, 2006.

## **Direct Deposit**

The Debt Collection Act of 1996 mandates that future payments from FSA be directly deposited into a producer's savings or checking bank account. A transaction statement will be sent from the Farm Service Agency office indicating the payment type and amount.

All producers were required to have initiated Electronic Funds Transfer (EFT) by January 1, 1999.

Any person may request a waiver of EFT if it poses a financial or personal hardship.

It's important that any changes in a producer's account, such as the type of account, bank mergers, routing number or account numbers, be provided to the county office promptly to avoid possible payment delay.

## **Biodiesel Plant Development Workshop**

Nebraska farmers and others interested in the viability of investing in a soy biodiesel plant may have some of their questions answered in a workshop on the topic to be held tentatively during the week of August 22.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation, or marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotope, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, D.C., 20250-9410, or call 202-720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.



The workshop is designed to help participants understand the critical elements in assessing the feasibility of biodiesel production, to provide information on biodiesel technologies and to present financing options. A statewide assessment of Nebraska's resources will also be presented.

The workshop is being sponsored by the Nebraska Value Added Partnership, a collaborative effort among various state and federal agencies. For more information or to be added to the mailing list for the workshop please contact the Nebraska Soybean Association at (800) 852-2326.

### ***Electronic LDP Service***

Producers who are connected to the Internet can now stay home and apply for



an Electronic Loan Deficiency Payment, or eLDP, 24 hours a day, seven days a week. The producers will receive approval and payment by direct deposit within 48 hours.

To participate in the new service, you must meet all eligibility requirements for marketing assistance loans and LDPs for the commodity. A person with proper authority may be set up to act in a representative capacity on behalf of an entity.

The voluntary eLDP service has stringent security measures to protect your private information.

You must have an e-mail address and a customer profile established through your administrative county Farm Service Agency office.

Eligible producers must also either have or create an active USDA eAuthentication Level 2 account, which requires filling out an online registration form at <http://www.eauth.egov.usda.gov/>, followed by a visit to the county office for identity verification.

The customer profile established in the county office determines eligibility and identifies the grain production for the eLDP process.

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